

HOUSE BILL 2314

By Jones U

AN ACT to amend Tennessee Code Annotated, Title 68,  
Chapter 126, and Section 55-17-102, relative to  
manufactured homes.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Section 68-126-202, is amended by deleting the language in subsection (3) in its entirety and substituting instead the following:

(3) "Manufacturer" means any person engaged in manufacturing and assembling manufactured homes, which shall include, but is not limited to, the rebuilding, reassembling, refurbishing, or any other such act as to construct or prepare a manufactured home for sale to a consumer;

SECTION 2. Tennessee Code Annotated, Section 68-126-205, is amended by deleting subsection (a) in its entirety and substituting instead the following:

(a) No person may manufacture, sell, lease, or offer to sell or lease any manufactured home in violation of rules of the commissioner issued to afford reasonable protection to persons and property with respect to the construction, assembly, and sale or lease of such manufactured homes. Compliance with such rules shall be evidenced in the manner required in this part.

SECTION 3. Tennessee Code Annotated, Section 55-17-102, is amended by deleting the language in subsection (22) in its entirety and substituting instead the following language:

(22) "Recreational vehicle" means a vehicular type unit primarily designed as temporary living quarters for recreation, camping, or travel use, which either has its own motive power or is drawn by another vehicle. The basic entities classified as

“recreational vehicles” are camping trailers, travel trailers, park trailers, and motor homes;

SECTION 4. Tennessee Code Annotated, Section 55-17-102, is amended by adding the following language as a new, appropriately designated subsection:

( ) “Park trailer” means a vehicular unit that is built on a single chassis, mounted on wheels, designed to provide seasonal or temporary living quarters, may be connected to utilities necessary for operation of installed fixtures and appliances, and consists of a gross trailer area that does not exceed four hundred (400) square feet;

SECTION 5. Tennessee Code Annotated, Section 68-126-206, is amended by deleting the language in subsection (a) in its entirety and substituting instead the following language:

(a) It is unlawful to engage in business in this state as a manufacturer or retailer prior to obtaining a license from the commissioner. The commissioner may require of an applicant for a license such information and evidence of qualifications as are reasonably necessary to protect the public safety and welfare. An application for a license shall be submitted on the prescribed form, shall contain the applicant's business tax or privilege tax number, and shall be accompanied by a fee to be set by the commissioner by rule. License fees shall be payable annually, and shall not be prorated for portions of a year. All licenses shall expire one (1) year from the date of issuance. Any employee of a licensed retailer who is directly involved in the installation of a manufactured home is required to be certified by the commissioner. An application for certification of an employee shall be submitted on a form prescribed by the commissioner and shall be accompanied by a fee to be set by the commissioner by rule. In order to obtain such certification, the employee shall have completed a fifteen (15) hour course and shall have passed an examination in manufactured home installation approved by the

commissioner. Certifications for employees shall expire one (1) year from the date of issuance.

(1) In addition to meeting other lawful requirements, an applicant for a license as a retailer shall present, at the time of application, proof of having completed a fifteen (15) hour course, approved by the commissioner, covering the installation of manufactured homes;

(2) Prior to being issued a license as a retailer, an applicant shall have passed an examination in manufactured home installation that is approved by the commissioner;

(3) Failure to comply with the requirements of this subsection (a) shall result in nonrenewal of a retailer's license.

SECTION 6. Tennessee Code Annotated, Section 68-126-403, is amended by deleting subsection (c) in its entirety and by substituting instead the following:

(c) New homes installed after July 1, 2010, shall be installed according to the following criteria:

(1) In compliance with the manufacturer's installation instructions, if provided or available;

(2) If the manufacturer has not provided or does not make available suitable instructions, then the home shall be installed according to instructions prepared and sealed by an engineer registered in the state of Tennessee; or

(3) As an alternative to subdivisions (c)(1) or (c)(2), the home may be installed according to the instructions contained in National Fire Protection Association (NFPA) 225 Model Manufactured Home Installation Standard, 2005 Edition, omitting the seismic provisions in Chapters 13 and 14, until such time as federal standards are implemented pursuant to the Manufactured Housing

Improvement Act of 2000, at which time the federal standards shall supplant the NFPA 225, 2005 Edition, instructions; and

(4) In addition to the requirements of subdivisions (c)(1), (c)(2), or (c)(3), installation shall comply with federal emergency management agency regulations applicable to flood zones.

SECTION 7. Tennessee Code Annotated, Section 68-126-403, is amended by deleting the language in subsection (d) in its entirety and substituting instead the following:

(d) Used homes installed after July 1, 2010, shall be installed according to the following criteria:

(1) In compliance with the manufacturer's manual in use at the time the home was manufactured;

(2) As an alternative to subdivision (d)(1), the home shall be installed according to instructions prepared and sealed by an engineer registered in the state of Tennessee; or

(3) As an alternative to subdivisions (d)(1) and (d)(2), the home may be installed according to the instructions contained in National Fire Protection Association (NFPA) 225 Model Manufactured Home Installation Standard 2005 Edition, omitting the seismic provisions in Chapters 13 and 14, until such time as federal standards are implemented pursuant to the Manufactured Housing Improvement Act of 2000, at which time the federal standards shall supplant the NFPA 225, 2005 Edition, instructions; and

(4) In addition to the requirements of subdivisions (d)(1), (d)(2), or (d)(3), installation shall comply with federal emergency management agency regulations applicable to flood zones.

SECTION 8. Tennessee Code Annotated, Section 68-126-404, is amended by deleting subsection (d) in its entirety and substituting instead the following language:

(1) An application for a license as an installer shall be submitted on a form prescribed by the commissioner, and shall be accompanied by a fee to be set by the commissioner by rule. An application for a license as an installer shall be accompanied by a surety bond executed by the applicant as principal and by a surety company qualified to do business in the state of Tennessee as a surety. The bond shall be executed to the state of Tennessee and in favor of any consumer who shall suffer any loss as a result of the violation of this part. The bond shall be in the amount of ten thousand dollars (\$10,000). The fee specified in this subdivision (d)(1) shall be paid annually and shall not be prorated for portions of a year. All licenses shall expire one (1) year from the date of issuance;

(2) An application for certification by an employee of an installer shall be submitted on a form prescribed by the commissioner and shall be accompanied by a fee to be set by the commissioner by rule. In order to obtain such certification, the employee shall submit proof of having completed a fifteen (15) hour course and passed an examination approved by the commissioner covering the installation of manufactured homes. The license fee and bond requirements specified in subdivision (d)(1) shall not apply to applicants for certification. Certification fee for an employee shall be payable annually and shall not be prorated for portions of a year. All certifications shall expire one (1) year from the date of issuance;

(3) The application for a license as an installer shall specify each employee who has been certified by the commissioner as having successfully completed the examination for manufactured home retailers and installers and who may perform installation work of manufactured homes.

(4) In addition to the fee specified in subdivision (d)(1) for the issuance of a license as an installer, any installer who fails to renew such installer license on or before its expiration date or who commences business in this state prior to obtaining a license shall be required to pay a penalty in an amount that the commissioner may determine by rule for acting as an installer without a license.

SECTION 9. This act shall take effect upon becoming a law for the purposes of rulemaking and shall take effect on January 1, 2010, for all other purposes, the public welfare requiring it.